

Message Text

UNCLASSIFIED

PAGE 01 REYKJA 01507 072124Z

67

ACTION EUR-12

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-03 H-02 INR-07 L-02

NSAE-00 NSC-05 PA-02 RSC-01 PRS-01 SP-02 SS-15

USIA-15 ACDA-10 TRSE-00 SAJ-01 COA-01 OES-04 MC-02

/086 W

----- 026966

R 071735Z NOV 74

FM AMEMBASSY REYKJAVIK

TO SECSTATE WASHDC 4957

INFO CINCLANT

COMICEDEFOR

AMEMBASSY COPENHAGEN

AMEMBASSY OSLO

AMEMBASSY STOCKHOLM

USMISSION NATO

UNCLAS REYKJAVIK 1507

E.O. 11652: N/A

TAGS: PFOR MARR IC US NATO

SUBJECT: DEFENSE DEBATE OPENS IN NEW PARLIAMENTARY SESSION

REF: REYKJAVIK 1476

1. FIRST SUBSTANTIVE DELIBERATIONS OF FALL PARLIAMENTARY SESSION BEGAN EVENING NOV. 5 WITH PRIME MINISTER'S POLICY SPEECH AND SUBSEQUENT STATEMENTS BY LEADERS OF ALL PARTIES. ECONOMIC SITUATION, AS EXPECTED, RECEIVED GREATEST ATTENTION, BUT DEFENSE ISSUE ALSO FIGURED PROMINENTLY AND WILL DOUBTLESS BE SUBJECT OF CONTINUING DEBATE.

2. PRIME MINISTER GEIR HALLGRIMSSON OUTLINED GOVT'S DEFENSE POLICY AND TERMS OF AGREEMENT RECENTLY REACHED WITH US. IN GESTURE OF THOSE WHO CRITICIZED SIGNING OF PACT WITHOUT PRIOR PARLIAMENTARY CONSIDERATION, HALLGRIMSSON PLEDGED COOPERATION WITH ALTHING FOREIGN RELATIONS COMMITTEE ON THIS AND OTHER
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 REYKJA 01507 072124Z

ISSUES AND WELCOMED FULL PARLIAMENTARY DEBATE ON DEFENSE MATTERS.

EMBASSY TRANSLATION OF SECTION OF PRIME MINISTER'S SPEECH
CONCERNING DEFENSE AS FOLLOWS:

(BEGIN QUOTE)

IN ITS POLICY DECLARATION, THE GOVERNMENT DESCRIBED ITS SUPPORT FOR MEMBERSHIP OF ICELAND IN NATO. IT SAID THERE ALSO THAT DISCUSSIONS WITH THE US ON DEFENSE MATTERS SHOULD CONTINUE WITH THE AIM OF ENABLING THE KEFLAVIK BASE TO FULFILL ITS OBJECTIVES CONSISTENT WITH THE DEFENSE INTERESTS OF ICELAND AT ANY GIVEN TIME. THE CONTINUED DISCUSSIONS TOOK PLACE IN WASHINGTON ON SEPTEMBER 26, AND THE FONMIN REACHED AN AGREEMENT WITH THE USG ON VARIOUS CHANGES IN THE IMPLEMENTATION OF THE DEFENSE ARRANGEMENT. THIS AGREEMENT HAS NOW BEEN FORMALLY RATIFIED, AND THE REVIEW UNDER ARTICLE 7 OF THE DEFENSE AGREEMENT HAS BEEN TERMINATED.

THE DECISION HAS BEEN MADE THAT THE DEFENSE FORCE SHOULD BE REDUCED BY 420 MEN, WHO HAVE BEEN CHIEFLY ENGAGED IN WORK OF A NON-MILITARY NATURE. THE DEFENSE FORCE WILL ASSIST IN TRAINING ICELANDERS TO ASSUME THESE JOBS. IT HAS ALSO BEEN DECIDED THAT ALL MEMBERS OF THE DEFENSE FORCE WILL BE HOUSED ON THE BASE AS SOON AS POSSIBLE, AND THE AMERICANS WILL BUILD HOUSING FOR THAT PURPOSE OVER THE NEXT THREE YEARS. THERE SHALL BE A SEPARATION OF THE GENERAL FLIGHT OPERATIONS FROM THE DEFENSE BASE AND THE AMERICANS WILL SHARE IN SUCH COSTS AS GENERAL IMPROVEMENT OF THE KEFLAVIK AIRPORT. THIS WILL NATURALLY INSURE THAT IMPLEMENTATION WILL NOT LEAD TO AN UNDESIREABLE EXPANSIONARY INFLUENCE ON THE ECONOMY.

THE GOVERNMENT WILL HAVE SECURITY MATTERS UNDER CONTINUING REVIEW AND WILL TAKE THOSE DECISIONS WITHIN THE FRAMEWORK OF THE DEFENSE AGREEMENT WHICH IT CONSIDERS NECESSARY. NATURALLY THE COOPERATION OF THE FOREIGN RELATIONS COMMITTEE OF THE ALTHING WILL BE OBTAINED IN THIS AREA OF FOREIGN AFFAIRS AS IN OTHERS. THE GOVERNMENT WILL WELCOME ALL DISCUSSIONS ON FOREIGN AND DEFENSE MATTERS IN THE ALTHING SINCE IT CAN NEVER BE REPEATED OFTEN ENOUGH HOW NECESSARY IT IS THAT ICELANDERS MAINTAIN A CONTINUING EXAMINATION OF THEIR SECURITY INTERESTS AND THEIR OVERALL SITUATION IN THE WORLD. (END QUOTE)

3. FOREIGN MINISTER EINAR AGUSTSSON, IN MORE DETAILED TREATMENT
UNCLASSIFIED

UNCLASSIFIED

PAGE 03 REYKJA 01507 072124Z

OF DEFENSE ISSUE (TEXT WILL BE POUCHED TO EUR/NE) CONCEDED THAT POLICY OF NEW GOVERNMENT REPRESENTS CHANGE FROM PREVIOUS ADMINISTRATION BUT ASSERTED THAT RECENT AGREEMENT WITH US WAS STEP IN DIRECTION OF PROGRESSIVE PARTY'S GOAL OF NO FOREIGN TROOPS IN ICELAND DURING PEACETIME. HE ALSO STRESSED THAT WASHINGTON AGREEMENT IS NOT FINAL IN THAT DEFENSE ARRANGEMENTS WILL BE UNDERGOING CONSTANT REVIEW AND REVISION. OTHER HIGHLIGHTS: AGUSTSSON SAID THAT ARTICLE 7 MECHANISM HAD RETURNED TO

STATUS QUO ANTE AND THAT ICELAND WOULD HAVE TO START FROM SCRATCH IF IT EVER WANTED TO TERMINATE AGREEMENT. DISCUSSING SPECIFIC TERMS OF WASHINGTON AGREEMENT, FONMIN SAID OF PERSONNEL CHANGES,

(BEGIN QUOTE)

420 AMERICANS SHALL LEAVE THE FORCE AND ICELANDERS TAKE OVER, HAVING RECEIVED NECESSARY TRAINING. I MIGHT MENTION THAT THE SO-CALLED 'EXCHANGE' OR 'EXTRA' AIR FORCE THAT WAS DISCUSSED BY THE LAST GOVERNMENT, WHICH PROPOSED THAT THEY SHOULD NOT BE STATIONED HERE, ARE NOT HERE ANY LONGER...SO THAT THIS GROUP OF 445 MEN MAY BE SUBTRACTED FROM THE 3317 WHO ARE HERE. THUS, IT CAN BE CLEARLY SEEN THAT WE ARE AIMING FOR A DECREASE OF MANPOWER NOT AN INCREASE AS SOME LIKE TO INSIST. (END QUOTE)

AGUSTSSON DESCRIBED NEW HOUSING ARRANGEMENTS AS "GREAT IMPROVEMENT" SAYING THAT CLOSE CONTACT WITH DEFENSE PERSONNEL MAY BE HARMFUL FOR ICELAND

"EXPERIENCE HAS SHOWN THAT WHERE THE SOLDIERS HAVE LIVED IN ISOLATION FROM ICELANDERS, THEIR INFLUENCE HAS BEEN FELT LEAST" ADDED FONMIN. HE DOWNPLAYED POSSIBILITY OF ADVERSE IMPACT ON ICELAND'S ECONOMIC EQUILIBRIUM WHICH HAS BEEN FREQUENT CHARGE OF PEOPLES ALLIANCE. REGARDING GOVERNMENT'S ACTION IN SIGNING AGREEMENT WITHOUT PARLIAMENTARY APPROVAL, AGUSTSSON NOTED THAT WASHINGTON AGREEMENT WAS REACHED WITHIN FRAMEWORK OF BASIC 1951 PACT AND THEREFORE DID NOT REQUIRE ALTHING RATIFICATION. IN SPECIFIC CASE OF ARTICLE SEVEN WHICH, HE SAID, CRITICS HAVE CHARGED WAS SO IMPORTANT THAT PARLIAMENTARY APPROVAL WAS CALLED FOR, FONMIN NOTED THAT WHEN PREVIOUS GOVERNMENT INVOKED CLAUSE IT DID NOT CONSULT LEGISLATURE, AND DISINVOCATION WAS CARRIED OUT IN SAME MANNER. IN CLOSING, AGUSTSSON NOTED THAT SOME WITHIN PP CONSIDERED THAT PARTY AND FOREIGN MINISTER HAD MADE SUDDEN

UNCLASSIFIED

PAGE 04 REYKJA 01507 072124Z

SHIFT IN DEFENSE MATTERS, BUT SAID THAT POLITICAL REALITIES DICTATED ACTION TAKEN WHICH, HE THOUGHT, WAS STEP IN GENERAL DIRECTION OF PP DEFENSE POLICY GOAL.

4. CHIEF RETORT TO GOVERNMENT'S DEFENSE POLICY WAS DELIVERED BY THOR VIGFUSSON, PEOPLES ALLIANCE ALTERNATE MP. HE SAID PA OPPOSED DEFENSE POLICY BECAUSE IT MEANT ARMY WOULD REMAIN INDEFINITELY AND WITH GREATLY INCREASED FINANCIAL INFLUENCE. CALLING DEFENSE MEASURES "COMPLETE REVERSAL" OF PREVIOUS GOVERNMENT'S POLICY, VIGFUSSON SAID INDEPENDENCE PARTY HAD IMPLEMENTED THEM WITHOUT MAJORITY OF EITHER PEOPLE OR PARLIAMENT. HE SAID THAT REPLACEMENT OF AMERICANS BY ICELANDERS DID NOT REPRESENT GENUINE DECREASE, BUT, MORE SERIOUSLY, HE SAID, ICELANDERS WOULD NOW BECOME SOLDIERS ON THE US OR NATO PAYROLL. HE WENT ON TO RIDICULE THE FOREIGN MINISTER AND TO CONFUSE THE COST OF

CONSTRUCTION AND AIRPORT IMPROVEMENTS WHICH USG WILL UNDERTAKE
(REYKJAVIK 1371). HE SAID HOUSING PLANS OF AMERICANS MADE
CLEAR THEY ARE PLANNING A LONG STAY.
IRVING

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: MEETING AGENDA, ECONOMIC CONDITIONS, CENTRAL LEGISLATURE, MILITARY PLANS
Control Number: n/a
Copy: SINGLE
Draft Date: 07 NOV 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974REYKJA01507
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740321-0149
From: REYKJAVIK
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19741163/aaaacbch.tel
Line Count: 173
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EUR
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 4
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: REYKJAVIK 1476
Review Action: RELEASED, APPROVED
Review Authority: golinofr
Review Comment: n/a
Review Content Flags:
Review Date: 12 NOV 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <12 NOV 2002 by shawdg>; APPROVED <29 NOV 2002 by golinofr>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: DEFENSE DEBATE OPENS IN NEW PARLIAMENTARY SESSION
TAGS: PFOR, MARR, PINT, IC, US, NATO
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005